

can also abuse that awesome power. And it seems like the bigger the banks are the more they abuse that power. Let me relate a vivid example:

It was over 5 years ago that America was hit with the great Wall Street-induced recession. Five years later, those banks are still paying our people—their customers—almost nothing if customers have deposits or certificates of deposit with those institutions. That is harming seniors across this country. That is harming people who are trying to make a go of it. It is harming investors. Meanwhile, banks continue to post huge profits, especially the very biggest ones that are market controllers—for example, JPMorgan Chase, just in the last year, took \$21 billion in profit; Wells Fargo, \$19 billion; Goldman Sachs, \$7.5 billion in profits; Citigroup, \$7.5 billion; Bank of America, \$4 billion—while Americans continue to struggle to make ends meet and recuperate from that Great Recession.

Now, it has been reported this week that JPMorgan Chase will agree to a \$13 billion settlement of the civil suit filed by the United States Department of Justice and the Federal Housing Finance Agency in order to resolve several investigations into their fraudulent mortgage securities business. One question I have with that \$13 billion: Are they actually going to pay it, or is JPMorgan Chase going to use it as a deduction on their taxes as a business expense or some other tax dodge that their accountants and lawyers figure out?

□ 1030

From September 7, 2005, through September 19, 2007, JPMorgan and its affiliates knowingly misrepresented the value and quality of their mortgage bonds that it sold to the Federal Housing Finance Agency. The result of their actions are reverberating still throughout our economy, as foreclosure rates in places like Ohio continue to go up. They are still above the national average. In August, foreclosure starts in Ohio were up 44 percent from the previous month, for a total that month of 9,542 foreclosure filings. Tens of thousands of people are being affected from coast to coast.

Minority neighborhoods were especially harmed by the financial crisis. A report by the Urban Institute estimates the loss of home equity in African American households as a result of the foreclosure crisis is at \$194 billion. All the wealth that was accumulated since World War II vaporized. They were hit very hard.

Hispanic communities lost \$177 billion in home equity during the same time period. Awesome.

Although a settlement has been reached in this particular case, this should not be the end of the investigation into Wall Street banks because JPMorgan and their brethren have proven to be repeat offenders. Criminal charges should be pursued, not just civil.

This settlement is just one of many recent penalties that JP has had to pay. In June 2011, JPMorgan had to pay \$153 million in penalties to the Securities and Exchange Commission for misleading investors about a collateralized debt obligation. In August 2012, the bank had to pay \$1.2 billion for what it had done to conspire with VISA and MasterCard to set the price of credit card and debit interchange fees.

In July of this year, JPMorgan had to pay \$410 million in penalties and repayments to the Federal Energy Regulatory Commission for revealing that the bank had been manipulating the California and Midwest electricity markets from September 2010 to November 2012. JPMorgan Chase had to pay a \$100 million fine for reckless conduct and market manipulation in connection with its 2012 London Whale trading scandal.

The question I have: Can they deduct any of these penalties from the taxes they pay, or are they really paying back in full those penalties to the government of the United States free and clear to pay back the American people for their criminal behavior?

In the past 3 years, JPMorgan has posted year-after-year record profits, driven by their stock prices. Last year, the firm made \$21.3 billion. Therefore, with this recent settlement, it would be about only half of their most recent profits. For a frame of reference, there are only seven Dow Jones Industrial Average companies that made more than \$13 billion profits last year.

We can say to ourselves, Would these fines, if they were really paid, do any harm to JPMorgan? Think about this. They have \$87 billion in reserves and their total assets are valued, by their own accounts, at over \$2.25 trillion. That is a “wow,” by any account.

The result of all of this misbehavior is many Americans have lost all of their accumulated equity.

Mr. Speaker, it is time to restore prudent banking. I ask my colleagues to sign on to H.R. 129, the Return To Prudent Banking Act of 2013. Let's restore the Glass-Steagall Act and the value of our money.

BUDGET NEGOTIATIONS

The SPEAKER pro tempore. The Chair recognizes the gentleman from West Virginia (Mr. MCKINLEY) for 5 minutes.

Mr. MCKINLEY. Mr. Speaker, for months, President Obama promised he would initiate long-overdue negotiations on issues from health care to tax and regulatory reform, all factors holding back economic growth. But he linked this pledge to Congress reopening the government and raising the debt limit.

His promise to address the critical drivers of our economy is why last week I voted to end the budget impasse and tentatively agree to cooperate with the President. With the government reopened, it is time for those

promises that he made to be upheld and for negotiations to begin.

Our economy is still way too weak. Let's look at the facts:

Ninety-seven percent of all the jobs created in America this past year have been part time;

Millions of our workers are seeing their hours cut;

Participation in the workforce is at an all-time low the last 35 years, with 90 million adults sitting on the sidelines.

Our neighbors and our friends are struggling and are uncomfortable about their future. Our latest college graduates can't find jobs, and millions more of our country's youth have quit searching for employment. It is time to reduce the uncertainty and help these families.

The House has already passed dozens of bills to help grow the economy, including tax reform, limiting excessive regulations, debt reduction, and yes, reforming ObamaCare.

The President has repeatedly said he is willing to negotiate on all of these economic issues. As recently as October 3, he stated:

I'm happy to negotiate with you on anything. I don't think any one party has a monopoly on wisdom.

Then, on October 8, the President said:

Serious negotiations could proceed around every item in the budget.

He then went on to say that negotiation would not be limited just to the budget. He said:

I will sit down and work with anyone of any party, not only to talk about the budget . . . about ways to improve the health care system . . . and about ways that we can shrink our long-term deficits.

Congress has now upheld its end of the bargain. The American people can now judge whether the President will uphold his.

In the next 90 days, let's demonstrate that Congress can indeed work in a bipartisan fashion and tackle our most serious problems now: a weak economy, a growing national debt, and a health care law that isn't ready for implementation.

It is important to note that the House took steps necessary to initiate negotiation. Therefore, in fairness, the President and the Senate need to come to the table. History will record whether the President fulfills his repeated pledges and addresses these barriers to America's economic exceptionalism.

Last week, many of us in the Chamber extended a hand of bipartisan cooperation to the President. But as President Reagan once said:

Trust, but verify.

WATER RESOURCES REFORM AND DEVELOPMENT ACT

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Illinois (Mrs. BUSTOS) for 5 minutes.

Mrs. BUSTOS. Mr. Speaker, I rise today to talk about an important provision that I worked hard on with a bipartisan group of Illinois Senators and